

Dear FCC Commissioners & Staff:

My name is April Josephson and I am President and CEO of Ariel Communications Group, Inc. (Ariel.Net) a small Internet Service Provider in Rancho Santa Margarita, California. Ariel.Net is a company that specializes in providing high-speed Internet access and related services to local businesses. We have been a reseller of ISDN and other services since our inception six years ago. We added DSL to our service offerings as soon as it became available, close to four years ago.

We are an active member of our community, and I am on the board of the local Chamber of Commerce. We have been the ISP for our city government since its incorporation in January of 2000. We also work closely with the local water district, and have a number of private schools as customers.

Ariel.Net has built our business by offering personalized service with customized packages of Internet services to small businesses in the Metropolitan Los Angeles area. We provide many services that our local phone company, SBC/Pacific Bell, does not. We pride ourselves on the fact that our customers can actually speak directly with us on the phone at anytime to resolve any issues that may arise. They have even walked into our office and met us. Some of our best customers call us on our cell phones, and we wouldn't have it any other way. Ariel works closely with networking consultants, who provide mutually beneficial services to our client base.

There are not many large companies that can provide that level of service, especially not SBC. In fact when calling SBC, you may not even talk to someone in the same state. Countless customers have commented on this, and have told me that they will never go to the ILEC for service because of their lack of support.

Our services include Internet access, website design and hosting, email services and network consulting. We cater to those small businesses who are too small to have a full-time IT Manager, and need someone to hold their hand to get through the technology maze called the Internet.

Over 70% of U.S. businesses are small businesses. The vast majority of these companies need help that the ILECs and their affiliated ISPs don't offer. Ariel.Net services are tailored to suit their needs.

In fact, SBC/Pacific Bell and their own ISP affiliate have completely forgotten about these companies in their marketing of DSL. They only have three tiers in their DSL offerings, one for residential users, one for SOHOs and one for larger corporations. Ariel.Net has found that our more flexible packages fill the void left due to their oversight.

I have several concerns with the FCC's lack of attention to this growing market. First, the SBC/ASI FCC Tariff #1 that was implemented without public comment last year has already put independent providers at a disadvantage because at least in my area, the ILEC is the only company we can currently use to provision DSL through. The SBC/ASI pricing does not allow us to compete on a level playing field with SBC's DSL offerings. The ISP has to pay more per customer to SBC/ASI for the DSL circuits than SBC is charging to end users. Thus, if we attempt to compete in the marketplace pricewise, we lose money, and will likely disappear. Eventually consumers will not have options other than the limited packages

offered by SBC. The tariff does not foster open competition. In the end, an entire industry of small ISPs and all consumers stand to lose.

Second, if the ILECs are no longer required to share their networks with us, they won't sell to us at all, and that will effectively eliminate competition. There will no longer be independent ISPs, who provide levels and types of services that are in demand. Further, once the competition is gone, the ILEC will be free to raise their prices. Killing this growing industry, and the innovations that we bring with us, will no doubt hurt the already fragile economy.

SBC's corporate position has been that they need to be free to compete with cable.

Sincerely,

April Josephson, Esq.
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